

Total financial statements

First quarter 2004 consolidated accounts, French GAAP



CONSOLIDATED STATEMENTS OF INCOME

Total

Amounts in millions of euros (1)	First quarter 2004 <i>(unaudited)</i>	First quarter 2003 <i>(unaudited)</i>
Total sales	27,860	28,303
Operating expenses	(23,161)	(23,210)
Depreciation, depletion, and amortization of tangible assets	(1,193)	(1,229)
Operating income		
Corporate	(58)	(55)
Business segments *	3,564	3,919
Total operating income	3,506	3,864
Interest expense, net	(40)	(42)
Dividend income on non-consolidated subsidiaries	15	5
Dividends on subsidiaries' redeemable preferred shares	(1)	(2)
Other income (expense), net	(23)	(263)
Provision for income taxes	(1,682)	(1,597)
Equity in income (loss) of affiliates	276	251
Income before amortization of acquisition goodwill	2,051	2,216
Amortization of acquisition goodwill	(30)	(30)
Consolidated net income	2,021	2,186
of which minority interest	60	66
NET INCOME **	1,961	2,120
Earnings per share (euros) ***	3.15	3.28
*Operating income from business segments, adjusted for special items	3,564	3,919
Net operating income from business segments, adjusted for special items	1,924	2,051
**Net income (Group share), adjusted for special items	1,978	2,120
***Earnings per share, adjusted for special items (euros)	3.18	3.28

(1) Except for earnings per share

CONSOLIDATED BALANCE SHEET

Total

Amounts in millions of euros

	31/03/2004 (unaudited)	31/12/2003	31/03/2003 (unaudited)
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net	2,031	2,017	2,248
Property, plant, and equipment, net	37,300	36,286	37,773
Equity affiliates : investments and loans	8,224	7,833	7,857
Other investments	1,170	1,162	1,221
Other non-current assets	3,286	3,152	3,851
Total non-current assets	52,011	50,450	52,950
CURRENT ASSETS			
Inventories, net	6,067	6,137	5,982
Accounts receivable, net	14,278	12,357	13,498
Prepaid expenses and other current assets	4,746	4,779	4,637
Short-term investments	1,393	1,404	1,489
Cash and cash equivalents	16,175	4,836	13,117
Total current assets	42,659	29,513	38,723
TOTAL ASSETS	94,670	79,963	91,673
LIABILITIES & SHAREHOLDERS' EQUITY			
SHAREHOLDERS' EQUITY			
Common shares	6,497	6,491	6,874
Paid-in surplus and retained earnings	32,402	30,408	32,689
Cumulative translation adjustment	(2,636)	(3,268)	(1,463)
Treasury shares	(3,858)	(3,225)	(6,001)
Total shareholders' equity	32,405	30,406	32,099
SUBSIDIARIES' REDEEMABLE PREFERRED SHARES	409	396	459
MINORITY INTEREST	715	664	715
LONG-TERM LIABILITIES			
Deferred income taxes	5,622	5,443	6,121
Employee benefits	3,903	3,818	3,931
Other liabilities	6,375	6,344	6,708
Total long-term liabilities	15,900	15,605	16,760
LONG-TERM DEBT	11,023	9,783	10,728
CURRENT LIABILITIES			
Accounts payable	11,212	10,304	9,961
Other creditors and accrued liabilities	10,868	8,970	10,444
Short-term borrowings and bank overdrafts	12,138	3,835	10,507
Total current liabilities	34,218	23,109	30,912
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	94,670	79,963	91,673

CONSOLIDATED STATEMENTS OF CASH FLOWS

Total

Amounts in millions of euros	First quarter 2004 <i>(unaudited)</i>	First quarter 2003 <i>(unaudited)</i>
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net income	2,021	2,186
Depreciation, depletion, and amortization	1,268	1,298
Long-term liabilities, valuation allowances, and deferred taxes	(11)	(406)
Unsuccessful exploration costs	73	60
(Gains)/Losses on sales of assets	(74)	204
Equity in income of affiliates (in excess of)/less than dividends received	(228)	(178)
Other changes, net	11	2
Cash flow from operating activities before changes in working capital	3,060	3,166
(Increase)/Decrease in operating assets and liabilities	1,023	656
CASH FLOW FROM OPERATING ACTIVITIES (1)	4,083	3,822
CASH FLOW USED IN INVESTING ACTIVITIES		
Intangible assets and property, plant, and equipment additions	(1,269)	(1,211)
Exploration expenditures charged to expenses	(73)	(53)
Acquisitions of subsidiaries, net of cash acquired	-	-
Investments in equity affiliates and other securities	(31)	(5)
Increase in long-term loans	(238)	(225)
Total expenditures	(1,611)	(1,494)
Proceeds from sale of intangible assets and property, plant, and equipment	74	77
Proceeds from sale of subsidiaries, net of cash sold	1	733
Proceeds from sale of non-current investments	26	2
Repayment of long-term loans	81	181
Total divestitures	182	993
(Increase)/Decrease in short-term investments	12	19
CASH FLOW USED IN INVESTING ACTIVITIES	(1,417)	(482)
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance and repayment of shares:		
Parent company's shareholders	-	1
Purchase of treasury shares	(633)	(1,591)
Minority shareholders	39	7
Subsidiaries' redeemable preferred shares	-	-
Cash dividends paid:		
- Parent company's shareholders	-	-
- Minority shareholders	(4)	(12)
Net issuance/(repayment) of long-term debt	1,225	992
Increase/(Decrease) in short-term borrowings and bank overdrafts	7,661	5,445
Other changes, net	(1)	(2)
CASH FLOW FROM FINANCING ACTIVITIES	8,287	4,840
Net increase/decrease in cash and cash equivalents	10,953	8,180
Effect of exchange rates and changes in reporting entity on cash and cash equivalents	386	(29)
Cash and cash equivalents at the beginning of the year or period	4,836	4,966
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	16,175	13,117

(1) Including payments relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back of 130 million euros for the first quarter 2004 and 182 million euros for the first quarter 2003.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts in millions of euros

First quarter 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,930	17,245	4,673	12		27,860
Intersegment sales	3,062	579	142	41	(3,824)	-
Total sales	8,992	17,824	4,815	53	(3,824)	27,860
Depreciation, depletion, and amortization of tangible assets	(778)	(213)	(194)	(8)		(1,193)
Operating income	2,819	546	199	(58)		3,506
Amortization of intangible assets and acquisition goodwill	(4)	(21)	(32)	(8)		(65)
Equity in income (loss) of affiliates and other items	117	51	(6)	145		307
Tax on net operating income	(1,543)	(165)	(54)	68		(1,694)
Net operating income	1,389	411	107	147		2,054
Net cost of net debt						(32)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(61)
Net income						1,961

First quarter 2004 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	-	-	-	-		-
Intersegment sales					-	-
Total sales	-	-	-	-	-	-
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
Operating income	-	-	-	-		-
Amortization of intangible assets and acquisition goodwill	-	-	-	-		-
Equity in income (loss) of affiliates and other items	-	-	(26)	-		(26)
Tax on net operating income	-	-	9	-		9
Net operating income	-	-	(17)	-		(17)
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						-
Net income						(17)

First quarter 2004 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,930	17,245	4,673	12	-	27,860
Intersegment sales	3,062	579	142	41	(3,824)	-
Total sales	8,992	17,824	4,815	53	(3,824)	27,860
Depreciation, depletion, and amortization of tangible assets	(778)	(213)	(194)	(8)		(1,193)
Operating income	2,819	546	199	(58)		3,506
Amortization of intangible assets and acquisition goodwill	(4)	(21)	(32)	(8)		(65)
Equity in income (loss) of affiliates and other items	117	51	20	145		333
Tax on net operating income	(1,543)	(165)	(63)	68		(1,703)
Net operating income	1,389	411	124	147		2,071
Net cost of net debt						(32)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(61)
Net income						1,978

First quarter 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	1,212	226	162	11		1,611
Divestitures at selling price	99	43	19	21		182
Cash flow from operating activities (1)	2,330	1,710	(82)	125		4,083

(1) In the Chemicals segment, this figure amounts to 48 million euros excluding an amount of 130 million euros paid relating to the Toulouse AZF plant explosion.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts in millions of euros

First quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,022	18,718	4,553	10	-	28,303
Intersegment sales	3,164	700	151	29	(4,044)	-
Total sales	8,186	19,418	4,704	39	(4,044)	28,303
Depreciation, depletion, and amortization of tangible assets	(829)	(210)	(180)	(10)	-	(1,229)
Operating income	3,025	779	115	(55)	-	3,864
Amortization of intangible assets and acquisition goodwill	(3)	(18)	(33)	(6)	-	(60)
Equity in income (loss) of affiliates and other items	64	63	(193)	110	-	44
Tax on net operating income	(1,681)	(239)	172	131	-	(1,617)
Net operating income	1,405	585	61	180	-	2,231
Net cost of net debt	-	-	-	-	-	(43)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(68)
Net income	-	-	-	-	-	2,120

First quarter 2003 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	-	-	-	-	-	-
Intersegment sales	-	-	-	-	-	-
Total sales	-	-	-	-	-	-
Depreciation, depletion, and amortization of tangible assets	-	-	-	-	-	-
Operating income	-	-	-	-	-	-
Amortization of intangible assets and acquisition goodwill	-	-	-	-	-	-
Equity in income (loss) of affiliates and other items	-	-	-	-	-	-
Tax on net operating income	-	-	-	-	-	-
Net operating income	-	-	-	-	-	-
Net cost of net debt	-	-	-	-	-	-
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	-
Net income	-	-	-	-	-	-

First quarter 2003 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,022	18,718	4,553	10	-	28,303
Intersegment sales	3,164	700	151	29	(4,044)	-
Total sales	8,186	19,418	4,704	39	(4,044)	28,303
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Net operating income	1,405	585	61	180	-	2,231
Net cost of net debt	-	-	-	-	-	(43)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(68)
Net income	-	-	-	-	-	2,120

First quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	1,166	125	175	28	-	1,494
Divestitures at selling price	180	44	755	14	-	993
Cash flow from operating activities	2,571	1,560	(81)	(228)	-	3,822

(1) In the Chemicals segment, this figure amounts to 101 million euros excluding an amount of 182 million euros paid relating to the Toulouse AZF plant explosion.

CONSOLIDATED STATEMENTS OF INCOME (impact of special items)

Total

Amounts in millions of euros	First quarter 2004		First quarter 2003	
	Adjusted for special items	Special items	Consolidated statement of income	Adjusted for special items
Total sales	27,860	-	27,860	28,303
Operating expenses	(23,161)	-	(23,161)	(23,210)
Depreciation, depletion, and amortization of tangible assets	(1,193)	-	(1,193)	(1,229)
Operating income				
Corporate	(58)	-	(58)	(55)
Business segments	3,564	-	3,564	3,919
Total operating income	3,506	-	3,506	3,864
Interest expense, net	(40)	-	(40)	(42)
Dividend income on non-consolidated subsidiaries	15	-	15	5
Dividends on subsidiaries' redeemable preferred shares	(1)	-	(1)	(2)
Other income (expense), net	3	(26)	(23)	(263)
Provision for income taxes	(1,691)	9	(1,682)	(1,597)
Equity in income (loss) of affiliates	276	-	276	251
Income before amortization of acquisition goodwill	2,068	(17)	2,051	2,216
Amortization of acquisition goodwill	(30)	-	(30)	(30)
Consolidated net income	2,038	(17)	2,021	2,186
of which minority interest	60	-	60	66
NET INCOME	1,978	(17)	1,961	2,120